IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

TUESDAY, THE FIFTH DAY OF OCTOBER,
TWO THOUSAND AND FOUR

PRESENT

THE HON'BLE MS JUSTICE G.ROHINI

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WRIT PETITION NO : 17901 of 2004

Between:

M/s. Eagle Flying Academy Pvt. Ltd., rep by Managing Director Sri. N. Venkatesham Goud, S/o N. Rajha Ram Goud, 9 Laxmi Apartments, Nalgonda Cross Road, Malakpet, Hyderabad.

..... PETITIONER

AND

Vasavi Cooperative urban Bank Ltd., rep by Chairman, Registered Office at 16-1-705/9/11, Malakept, Hyderabad.

.....RESPONDENT

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue any Writ, order or direction particularly one in the nature of Mandamus declaring the inaction on the part of the Respondent Bank in taking a decision on the compromise settlement Agreement dated 31-03-1004 is illegal, arbitrary, contrary to the spirit and purport of the scheme evolved by the respondents for one time settlement and consequently direct the respondent Bank to settle the declared Non Performing Asset of the Petitioner by taking a decision on the Compromise Settlement Agreement dated 31-03-2004.

Counsel for the Petitioner:DR.P.B.VIJAY KUMAR

Counsel for the Respondent : MR.S.ASHOK ANAND KUMAR

The Court made the following :

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ORDER:

Heard the learned counsel for the petitioner and the learned Standing Counsel, Sri.S.Ashok Anand, Kumar appearing for the respondent Bank.

The petitioner made an application on 31.3.2004 opting for one time settlement in accordance with the one time settlement scheme notified by the respondent Bank. The only grievance of the petitioner is that while keeping the said application pending, the respondent Bank issued the impugned letter dated 11.6.2004 initiating coercive steps for recovery of the amounts due.

As can be seen from the material on record, the application made by the petitioner was received by the respondent Bank on 31.3.2004 within the time prescribed under the Scheme. If that be so, the respondent Bank ought to have considered the same in accordance with law.

In the circumstances, without expressing any opinion on merits, I deem it appropriate to dispose of the writ petition with a direction to the respondent Bank to consider the application of the petitioner dated 31.03.2004 and to pass appropriate orders in accordance with law as expeditiously as possible, preferably within a period of one week from the date of receipt of a copy of this order and communicate the same to the petitioner. Till such orders are passed, the respondent Bank shall not take any coercive steps on the basis of the impugned letter dated 11.06.2004. No costs.

5.10.2004

sh/vs

To

1. The Chairman,Vasavi Cooperative urban Bank Ltd., Registered Office at 16-1-705/9/11, Malakept, Hyderabad.

2.2CD copies.